

FISCAL NOTE

Bill #: SB0088

Title: Revise tax appeal procedure for Justice to defend vehicle titles

Primary Sponsor: Spook Stang

Status: As introduced

Sponsor signature	Date	Dave Lewis, Budget Director	Date
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Fiscal Summary

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Expenditures:		
General Fund	\$3,244	\$3,244
Revenue:	\$0	\$0
Net Impact on General Fund Balance:	(\$3,244)	(\$3,244)

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts

Fiscal Analysis

ASSUMPTIONS:

1. At least seven tax appeals were filed at the county level challenging the tax imposed on a passenger car, light truck, van, or sport utility vehicle despite the omission of a clear tax appeal procedure in SB 57. Senate Bill 57 was the 1997 bill that transferred vehicle tax assessment functions to the Department of Justice (DOJ) during 1998.
2. The DOJ believes that the number of appeals will increase with the incorporation of specific appeals procedures and increasing public awareness of this avenue. While some appeals may be avoided through informal administrative review or taxpayer education, the DOJ estimates that it will participate in approximately 20 formal tax appeal hearings each year, all of which involve travel to the taxpayer's county of residence.

3. Annual operating costs are estimated at \$3,244 to cover per diem and statewide travel expenses associated with state legal and technical representation at these tax appeals.

Lodging – 10 days x 2 FTE x \$36.40/night =	728
Per diem – 10 days x 2 FTE x \$6.00/day =	120
Per diem – 10 days x 2 FTE x \$23.00 =	460
Motor pool mileage --	<u>1,936</u>
Annual Total	3,244

4. There is no fiscal impact to the Department of Administration.

5. The Montana Association of Counties is not aware of any local government fiscal impact.

FISCAL IMPACT:

	<u>FY2000 Difference</u>	<u>FY2001 Difference</u>
Department of Justice:		
<u>Expenditures:</u>		
Operating Expenses	\$3,244	\$3,244
<u>Funding:</u>		
General Fund (01)	\$3,244	\$3,244
<u>Revenues:</u>	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	(\$3,244)	(\$3,244)